

*"When veterans return home, they should do so with the confidence that their credit history allows them to open a business and buy a house...if they were late on some payments while serving their country or recovering from a severe injury, that shouldn't prevent them from pursuing the American dream."*

Washington, DC- Thursday, the House of Representatives approved an amendment by Congressman Harry Teague to HR 627, the Credit Cardholders' Bill of Rights Act. The Teague Amendment would protect and honor veterans' service by restricting credit card issuers from making adverse reports to credit ratings agencies regarding deployed military service members and disabled veterans during the first two years of their disability.

The House also passed the Credit Cardholders' Bill of Rights Act by a vote of 357-70. The bill, which now includes additional considerations for Veterans through the Teague Amendment, is comprehensive credit card reform legislation aimed at leveling the playing field between credit card companies and consumers and abolishes industry abuses that have been described by regulators as "unfair," "deceptive" and "anti-competitive."

The Credit Cardholders' Bill of Rights:

- Protects cardholders against arbitrary interest rate increases
- Prevents cardholders who pay on time from being unfairly penalized
- Protects cardholders from due date gimmicks
- Shields cardholders from misleading terms
- Empowers cardholders to set limits on their credit
- Requires card companies to fairly credit and allocate payments
- Prohibits card companies from imposing excessive fees on cardholders
- Prevents card companies from giving subprime credit cards to people who can't afford them
- Requires Congress to provide better oversight of the credit card industry
- Contains NO rate caps, fee setting, or price controls

Below is Congressman Teague's statement in support of his amendment to HR 627, the Credit Cardholders' Bill of Rights Act.

*Mr. Chairman/Madam Chairwoman, I rise today to offer an amendment along with my friends Congressmen Nye, Kissell, and Boccieri that has three principal attributes: It's common-sense. It does what's right. And it helps out our nation's veterans.*

*Specifically, the amendment restricts credit card issuers from making adverse reports to credit rating agencies regarding deployed military service members and disabled veterans during the first two years of their disability.*

*Mr. Chairman/Madam Chairwoman, one of the time honored commitments we make to our veterans is that after they do the grueling and dangerous work of protecting our national security, we as a country ensure their economic security.*

*When a soldier is fighting in the mountains of Afghanistan or the deserts of Iraq, he or she does not have access to regular mail service, nor the ability to tend to the everyday financial pressures of home. Likewise, when an injured veteran is adjusting to life with his or her disability, there is often a period of economic vulnerability, where the costs pile up and sometimes you don't get to every last letter in the mail.*

*When veterans return home, they should do so with the confidence that their credit history allows them to open a business and buy that house and truck. If they were late on some payments while serving their country or recovering from a severe injury, that shouldn't prevent them from pursuing the American dream. No commercial credit rating agencies can be equipped to account for the intangibles of combat service and convalescing from service connected injuries.*

*Economic opportunity for veterans should not be a question of their credit worthiness. It should be a question of their service.*

*I urge my colleagues to pass this amendment. I reserve the balance of my time.*

Background: Last September, the CCBOR (HR 5244) passed the House, 312-112 but died in the Senate. It would have banned many of the worst unfair, deceptive and anti-competitive practices of the credit card industry including so called "universal" default, double-cycle billing, and retroactive rate hikes. In December, the Federal Reserve released final regulations that would ban many of these practices, but the new rule does not take effect until July 2010. The CCBOR introduced today would take effect 90 days after the President signs it.

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